

45supp02



Helping Government Work

January 27, 2004

Board of Commissioners of the County of Lake  
In care of Mark Pearman  
Cenifax Executive Director  
Lake County  
Data Processing Agency  
2293 North Main Street  
Crown Point, Indiana 46307

Dear Mark:

This letter will confirm our discussions and agreement reached in your office on Thursday, January 22, 2004, regarding the 40 additional ACAMA appraisal software licenses we have provided to Lake County back in September of 2003.

Under our revaluation contract with the State of Indiana, the State has already paid for 30 additional ADMINS software licenses, which is the fourth generation language used to write your appraisal software that we refer to as ACAMA. These licenses will be assigned to Lake County at the end of the revaluation contract. Since Lake County previously purchased 64 ADMINS software licenses in 1994, which are still in effect and are usable, this will give you a total of 94 users for this software, which is needed to run your ACAMA software.

The State of Indiana also purchased 30 licenses of our new ACAMA software under our revaluation contract. These 30 licenses will also be assigned to Lake County at the end of the revaluation contract. While Lake County did purchase 64 licenses of our original ACAMA software back in 1994, a significant amount of work has been done during the last two years to modify that software in order to bring it into compliance with the new Indiana requirements. As discussed, the cost of this effort has been charged to all of our ACAMA clients in Indiana at \$5,000 per user. This was also the same amount that the State paid for its 30 licenses and is how we arrived at the \$200,000 fee, when it was determined that Lake County needed 40 additional users of the new ACAMA software last fall.

We agreed that there was poor communication a couple of years ago regarding the fact that Lake County would have to purchase these additional ACAMA software licenses, not to mention that if the County would have known this, they would have required that the State purchase a total of 70 licenses instead of 30. As a result, Manatron has agreed to provide a total of 64 (instead of 40) ACAMA software licenses for the \$200,000 fee. This will allow for growth and give the County the same number (a total of 94) of ADMINS and ACAMA licenses, which will eliminate confusion and complications down the road. Manatron will also provide up to ten days of training at a cost of \$800 per day, plus out of pocket travel expenses, in the event the County desires or has a need for these services.

Secondly, Manatron has agreed to provide Lake County with 94 ProVal software licenses at no additional charge, whenever the County is ready to upgrade to this product. ProVal is Manatron's national appraisal system, used by approximately 300 local governments in 20 states (60 of which are in Indiana) and Canada. It is a more modern, windows-based, fully featured appraisal system, with great sketching capability and a relational data base. There will however be some charges for our services related to the conversion, installation or training. If the County has paid for the training noted previously and has not used all of the days, these days can be used toward the implementation of ProVal. File conversion costs would be charged at rates in effect at that time.

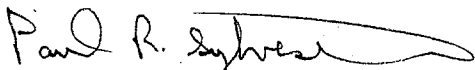
Thirdly, you indicated that the County is interested in implementing Digital Imaging so that it can make better use of all the photographs that have been taken as part of the revaluation. As a result, we agreed for a cost of \$25,000 to provide an interface in our ACAMA software to the .JPEG files created by CLT. Included is a hot key in our ACAMA software that will display the associated image. We will also include the capability of matching all new photos with the appropriate parcel and card number so that updates to the County image file can be done correctly. The County should be aware that the response time to display photos on remote machines depends on many factors and will take more time than displaying data. In addition, T1 lines will most likely be necessary for efficient performance from remote locations. The County is responsible for purchasing these T1 lines as well as the respective digital cameras and docking equipment, and any upgrades to the network that may be required to obtain acceptable performance.

Finally, Manatron agreed to be flexible with respect to when the money (a total of \$233,000) would be paid for these additional licenses, as the County had not planned or budgeted for these items. You indicated that you felt the money should be available for disbursement in April or May of this year. I agreed that this was acceptable and also said that in the event the money was not available Manatron would give the County interest free terms until December 31, 2004. Any payment received after that would have interest charged at the rate of 5% per annum.

Mark, I have elected to cover all of this in letter form versus an actual contract. Hopefully, this will be easier to follow. I would however, like to point out that this letter should be considered as part of the Master Agreement for Licensed Software, Hardware and Services number IN2003.031 that we have previously executed with Lake County. If you have any questions or concerns, please do not hesitate to contact me. Otherwise, I would appreciate it if you and the appropriate commissioner(s) would sign the enclosed copy of this letter and return it to me for my records.

Thank you for your cooperation and attention to this matter.

Sincerely,



Paul R. Sylvester  
President & CEO

Accepted by:

---

Board of Commissioners of the County of Lake

---

Mark Pearman